

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3545	31:505.	R.S. § 3624.

The functions of the First Comptroller of the Treasury, referred to in Revised Statutes section 3624, were as a matter of law vested in the Solicitor of the Treasury by Revised Statutes sections 377 and 379 (based on the Act of May 28, 1830, ch. 153, 45 Stat. 414). This function is now vested in the Attorney General. See 28:507 as enacted in 1948 and revision notes thereto and existing 28:519, 547, and 509. The words "bring a civil action" are substituted for "institute suit" for consistency in the revised title and with other titles of the United States Code. The word "amount" is substituted for "sum or balance" to eliminate unnecessary words. The words "reported to be" are omitted as surplus. The word "settlement" is substituted for "adjustment" for consistency. The words "by the person" are added for clarity. The words "stated to be", "in every instance where suit is commenced and . . . thereon", and "it shall be" are omitted as surplus.

CHAPTER 37—CLAIMS

SUBCHAPTER I—GENERAL

Sec.	
3701.	Definitions and application.
3702.	Authority of the Comptroller General to settle claims.

SUBCHAPTER II—CLAIMS OF THE UNITED STATES GOVERNMENT

3711.	Collection and compromise.
3712.	Time limitations for presenting certain claims of the Government.
3713.	Priority of Government claims.
3714.	Keeping money due States in default.
3715.	Buying real property of a debtor.
3716.	Administrative offset.
3717.	Interest and penalty on claims.
3718.	Contracts for collection services.
3719.	Reports on debt collection activities.

SUBCHAPTER III—CLAIMS AGAINST THE UNITED STATES GOVERNMENT

3721.	Claims of personnel of agencies and the District of Columbia government for personal property damage or loss.
3722.	Claims of officers and employees at Government penal and correctional institutions.
3723.	Small claims for privately owned property damage or loss.
3724.	Claims for damages caused by the Federal Bureau of Investigation.
3725.	Claims of non-nationals for personal injury or death in a foreign country.
3726.	Payment for transportation.
3727.	Assignments of claims.
3728.	Setoff against judgment.
3729.	False claims.
3730.	Civil actions for false claims.
3731.	False claims procedure.

AMENDMENTS

1983—Pub. L. 97-452, § 1(13)(B), (16)(B), Jan. 12, 1983, 96 Stat. 2470, 2474, inserted "and application" in item 3701 and added items 3716-3719.

SUBCHAPTER I—GENERAL

§ 3701. Definitions and application

(a) In this chapter—

(1) "administrative offset" means withholding money payable by the United States Gov-

ernment to, or held by the Government for, a person to satisfy a debt the person owes the Government.

(2) "calendar quarter" means a 3-month period beginning on January 1, April 1, July 1, or October 1.

(3) "consumer reporting agency" means—

(A) a consumer reporting agency as that term is defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)); or

(B) a person that, for money or on a cooperative basis, regularly—

(i) gets information on consumers to give the information to a consumer reporting agency; or

(ii) serves as a marketing agent under an arrangement allowing a third party to get the information from a consumer reporting agency.

(4) "executive or legislative agency" means a department, agency, or instrumentality in the executive or legislative branch of the Government.

(5) "military department" means the Departments of the Army, Navy, and Air Force.

(6) "system of records" has the same meaning given that term in section 552a(a)(5) of title 5.

(7) "uniformed services" means the Army, Navy, Air Force, Marine Corps, Coast Guard, Commissioned Corps of the National Oceanic and Atmospheric Administration, and Commissioned Corps of the Public Health Service.

(b) In subchapter II of this chapter, "claim" includes amounts owing on account of loans insured or guaranteed by the Government and other amounts due the Government.

(c) In sections 3716 and 3717 of this title, "person" does not include an agency of the United States Government, of a State government, or of a unit of general local government.

(d) Sections 3711(f) and 3716-3719 of this title do not apply to a claim or debt under, or to an amount payable under, the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.), the Social Security Act (42 U.S.C. 301 et seq.), or the tariff laws of the United States.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 970; Pub. L. 97-452, § 1(13)(A), Jan. 12, 1983, 96 Stat. 2469.)

HISTORICAL AND REVISION NOTES

1982 Act

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3701(1)	31:951.	July 19, 1966, Pub. L. 89-508, § 2, 80 Stat. 308.
3701(2)	31:240(1), (4).	Aug. 31, 1964, Pub. L. 88-558, § 2(1), (2), (4), 78 Stat. 787; restated Sept. 15, 1965, Pub. L. 89-185, § 3(a), 79 Stat. 789.
3701(3)	31:240(2).	

Clause (1) is substituted for 31:951(a) for consistency. The text of 31:951(b) is omitted as unnecessary because of laws vesting authority in the commission, board, or other group of individuals and for consis-

cy in the revised title and with other titles of the United States Code.

In clause (2), the text of 31:240(1) is omitted as unnecessary because of the restatement.

1983 Act

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3701(a)(1).	31 App.:954(e)(1).	July 19, 1966, Pub. L. 89-508, 80 Stat. 308, § 5(e); added Oct. 25, 1982, Pub. L. 97-365, § 10(2), 96 Stat. 1755.
3701(a)(2).	31 App.:952(e)(1) (last sentence).	July 19, 1966, Pub. L. 89-508, 80 Stat. 308, § 3(e)(1)(last sentence), (8); added Oct. 25, 1982, Pub. L. 97-365, § 11, 96 Stat. 1755, 1756.
3701(a)(3).	31 App.:952(d)(4) (A).	July 19, 1966, Pub. L. 89-508, 80 Stat. 308, § 3(d)(4); added Oct. 25, 1982, Pub. L. 97-365, § 3, 96 Stat. 1750.
3701(a)(4), (5).	31:3701(1), (2).	
3701(a)(6).	31 App.:952(d)(4) (B), (C).	
3701(a)(7).	31:3701(3).	
3701(b).....	31 App.:952(g).	July 19, 1966, Pub. L. 89-508, 80 Stat. 308, § 3(g); added Oct. 25, 1982, Pub. L. 97-365, § 13(b), 96 Stat. 1758.
3701(c).....	31 App.:952(e)(8).	
3701(d).....	31 App.:954(e)(2).	
	31 App.:954(note) (related to 31 App.:952(d)-(f), 954, 955).	Oct. 25, 1982, Pub. L. 97-365, § 8(e)(related to §§ 3, 10(2)-12, 13(b)), 96 Stat. 1754.

In subsections (a)(1), (b), and (c), the word "Government" is added for consistency in the revised title and with other titles of the United States Code.

In subsection (a)(3)(B), before clause (i), the word "money" is substituted for "monetary fees, dues" to eliminate unnecessary words. The words "engages in whole or in part in the practice of" are omitted as surplus. In clause (i), the words "credit or other" and "(as defined in clause (i) of this subparagraph)" are omitted as surplus.

In subsection (a)(6), 31 App.:952(d)(4)(C) is omitted as unnecessary.

In subsection (b), the words "all . . . from fees, duties, leases, rents, royalties, services, sales of real or personal property, overpayments, fines, penalties, damages, interest, taxes, forfeitures, and other sources" are omitted as surplus.

In subsection (c), the words "unit of general" are added for consistency in the revised title.

In subsection (d), the word "arising" is omitted as surplus.

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (§ 301 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The tariff laws of the United States, referred to in subsec. (d), are classified generally to Title 19, Customs Duties.

AMENDMENTS

1983—Subsec. (a). Pub. L. 97-452 designated existing provisions as subsec. (a) and, in subsec. (a) as so designated, added pars. (1), (2), and (3), redesignated former par. (1) as (4) and in par. (4) as so redesignated substituted "Government" for "United States Government", redesignated former par. (2) as (5), added par. (6), and redesignated former par. (3) as (7) and in par. (7) as so redesignated struck out "the" preceding "Commissioned Corps" in two places.

Subsecs. (b) to (d). Pub. L. 97-452 added subsecs. (b) to (d).

§ 3702. Authority of the Comptroller General to settle claims

(a) Except as provided in this chapter or another law, the Comptroller General shall settle all claims of or against the United States Government. A claim that was not administratively examined before submission to the Comptroller General shall be examined by 2 officers or employees of the General Accounting Office independently of each other.

(b)(1) A claim against the Government presented under this section must contain the signature and address of the claimant or an authorized representative. The claim must be received by the Comptroller General within 6 years after the claim accrues except—

(A) as provided in this chapter or another law; or

(B) a claim of a State, the District of Columbia, or a territory or possession of the United States.

(2) When the claim of a member of the armed forces accrues during war or within 5 years before war begins, the claim must be presented to the Comptroller General within 5 years after peace is established or within the period provided in clause (1) of this subsection, whichever is later.

(3) The Comptroller General shall return a claim not received in the time required under this subsection with a copy of this subsection and no further communication is required.

(c) A claim on a check or warrant that the records of the Comptroller General or the Secretary of the Treasury show as being paid must be presented to the Comptroller General or the Secretary within 6 years after the check or warrant was issued.

(d) The Comptroller General shall report to Congress on a claim against the Government that is timely presented under this section that may not be adjusted by using an existing appropriation, and that the Comptroller General believes Congress should consider for legal or equitable reasons. The report shall include recommendations of the Comptroller General.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 970; Pub. L. 97-452, § 1(14), Jan. 12, 1983, 96 Stat. 2470.)

HISTORICAL AND REVISION NOTES

1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3702(a).....	31:44(1st sentence).	June 10, 1921, ch. 18, § 304(1st par. 1st sentence), 42 Stat. 24.
	31:71(related to claims).	R.S. § 238(related to claims); June 10, 1921, ch. 18, § 305, 42 Stat. 24.
	31:88.	July 31, 1894, ch. 174, § 14, 28 Stat. 210.
3702(b)(1).	31:71a(1)(less proviso).	Oct. 9, 1940, ch. 788, 54 Stat. 1061; Jan. 2, 1975, Pub. L. 93-604, § 801, 88 Stat. 1965.
	31:237(1)(less proviso).	
3702(b)(2).	31:71a(1)(proviso).	
	31:237(1)(proviso).	
3702(b)(3).	31:71a(2).	
	31:237(2).	

HISTORICAL AND REVISION NOTES—Continued

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3702(c).....	31:122.	June 22, 1926, ch. 650, § 2, 44 Stat. 781; Aug. 28, 1957, Pub. L. 85-183, § 3(a), 71 Stat. 465.
3702(d).....	31:236.	Apr. 10, 1928, ch. 334, 45 Stat. 413.

In the section, the words "Comptroller General" are substituted for "General Accounting Office" for consistency.

In subsection (a), the words "Except as provided in this chapter or another law" are added for clarity. The words "and demands whatever" and "and adjusted" are omitted as surplus. The words "officers or employees of the General Accounting Office" are substituted for "of his subordinates" for clarity and consistency in the revised title and with other titles of the United States Code.

In subsection (b)(1), before clause (A), the words "or demand" are omitted as surplus. The word "Government" is substituted for "United States" for consistency in the revised title and with other titles of the Code. The word "representative" is substituted for "agent or attorney" to eliminate unnecessary words. The words "received by the Comptroller General" are substituted for "received in said office" for clarity and consistency. The words "the date" are omitted as surplus. Clause (A) is added for clarity. In clause (B), the words "cognizable by the General Accounting Office under sections 71 and 236 of this title" are omitted as unnecessary because of the restatement.

In subsection (b)(2), the words "member of the armed forces" are substituted for "person serving in the military or naval forces of the United States" for consistency with title 10. The words "to the Comptroller General" are added for clarity.

In subsection (b)(3), the words "to the claimant" are omitted as surplus. The words "not received in the time required" are substituted for "barred by" because of the restatement. The words "no further communication is required" are substituted for "such action shall be a complete response without further communication" to eliminate unnecessary words.

In subsection (c), the text of 31:122(1st sentence words before 2d comma and last sentence) is omitted as executed. The words "Secretary of the Treasury" are substituted for "Treasury Department" for consistency. The word "Secretary" is substituted for "Treasurer of the United States" because of Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280).

In subsection (d), the words "report . . . on" are substituted for "submit the same . . . by a special report . . . the material facts" to eliminate unnecessary words. The words "or demand" are omitted as surplus. The word "Government" is substituted for "United States", and the words "presented under this section" are substituted for "filed in the General Accounting Office" for consistency. The words "lawfully", "the use of", and "thereon" are omitted as surplus.

1983 Act

This amends 31:3702(b)(2) by inserting a word inadvertently omitted in the codification of title 31.

AMENDMENTS

1983—Subsec. (b)(2). Pub. L. 97-452 added "this" before "subsection".

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment effective Sept. 13, 1982, see section 2(i) of Pub. L. 97-452, set out as a note under section 3331 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 3328, 3712 of this title; title 16 section 831h.

SUBCHAPTER II—CLAIMS OF THE UNITED STATES GOVERNMENT

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in section 3701 of this title.

§ 3711. Collection and compromise

(a) The head of an executive or legislative agency—

(1) shall try to collect a claim of the United States Government for money or property arising out of the activities of, or referred to, the agency;

(2) may compromise a claim of the Government of not more than \$20,000 (excluding interest) that has not been referred to another executive or legislative agency for further collection action; and

(3) may suspend or end collection action on a claim referred to in clause (2) of this subsection when it appears that no person liable on the claim has the present or prospective ability to pay a significant amount of the claim or the cost of collecting the claim is likely to be more than the amount recovered.

(b) The Comptroller General has the same authority that the head of the agency has under subsection (a) of this section when the claim is referred to the Comptroller General for further collection action. Only the Comptroller General may compromise a claim arising out of an exception the Comptroller General makes in the account of an accountable official.

(c)(1) The head of an executive or legislative agency may not act under subsection (a)(2) or (3) of this section on a claim that appears to be fraudulent, false, or misrepresented by a party with an interest in the claim, or that is based on conduct in violation of the antitrust laws.

(2) The Secretary of Transportation may not compromise for less than \$250 a penalty under section 6 of the Act of March 2, 1893 (45 U.S.C. 3), section 4 of the Act of April 14, 1910 (45 U.S.C. 13), section 9 of the Act of February 17, 1911 (45 U.S.C. 34), and section 25(h) of the Interstate Commerce Act (49 U.S.C. 26(h)).

(d) A compromise under this section is final and conclusive unless gotten by fraud, misrepresentation, presenting a false claim, or mutual mistake of fact. An accountable official is not liable for an amount paid or for the value of property lost or damaged if the amount or value is not recovered because of a compromise under this section.

(e) The head of an executive or legislative agency acts under—

(1) regulations prescribed by the head of the agency; and

(2) standards that the Attorney General and the Comptroller General may prescribe jointly.

(f)(1) When trying to collect a claim of the Government under a law except the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.), the

head of an executive or legislative agency may disclose to a consumer reporting agency information from a system of records that an individual is responsible for a claim if—

(A) notice required by section 552a(e)(4) of title 5 indicates that information in the system may be disclosed to a consumer reporting agency;

(B) the head of the agency has reviewed the claim and decided that the claim is valid and overdue;

(C) the head of the agency has notified the individual in writing—

(i) that payment of the claim is overdue;

(ii) that, within not less than 60 days after sending the notice, the head of the agency intends to disclose to a consumer reporting agency that the individual is responsible for the claim;

(iii) of the specific information to be disclosed to the consumer reporting agency; and

(iv) of the rights the individual has to a complete explanation of the claim, to dispute information in the records of the agency about the claim, and to administrative appeal or review of the claim;

(D) the individual has not—

(i) repaid or agreed to repay the claim under a written repayment plan that the individual has signed and the head of the agency has agreed to; or

(ii) filed for review of the claim under paragraph (2) of this subsection;

(E) the head of the agency has established procedures to—

(i) disclose promptly, to each consumer reporting agency to which the original disclosure was made, a substantial change in the condition or amount of the claim;

(ii) verify or correct promptly information about the claim on request of a consumer reporting agency for verification of information disclosed; and

(iii) get satisfactory assurances from each consumer reporting agency that the agency is complying with all laws of the United States related to providing consumer credit information; and

(F) the information disclosed to the consumer reporting agency is limited to—

(i) information necessary to establish the identity of the individual, including name, address, and taxpayer identification number;

(ii) the amount, status, and history of the claim; and

(iii) the agency or program under which the claim arose.

(2) Before disclosing information to a consumer reporting agency under paragraph (1) of this subsection and at other times allowed by law, the head of an executive or legislative agency shall provide, on request of an individual alleged by the agency to be responsible for the claim, for a review of the obligation of the individual, including an opportunity for reconsideration of the initial decision on the claim.

(3) Before disclosing information to a consumer reporting agency under paragraph (1) of

this subsection, the head of an executive or legislative agency shall take reasonable action to locate an individual for whom the head of the agency does not have a current address to send the notice under paragraph (1)(C).

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 971; Pub. L. 97-452, § 1(15), Jan. 12, 1983, 96 Stat. 2470.)

HISTORICAL AND REVISION NOTES

1982 Act

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3711(a)	31:952(a)(less words between 1st and 2d commas), (b)(1st sentence less words between 6th and 7th commas).	July 19, 1966, Pub. L. 89-508, § 3, 80 Stat. 309.
3711(b)	31:952(b)(2d sentence, last sentence words after semicolon).	
3711(c)(1)	31:952(b)(last sentence words before semicolon).	
3711(c)(2)	31:952(note).	July 8, 1976, Pub. L. 94-348, § 3(e), 90 Stat. 818.
3711(d)	31:952(c).	
3711(e)	31:952(a)(words between 1st and 2d commas), (b)(1st sentence words between 6th and 7th commas).	

In the section, the words "executive or legislative agency" are substituted for "agency" because of the restatement. The words "or his designee" are omitted as unnecessary.

In subsection (a), the word "Government" is added for consistency. In clause (2), the words "including the General Accounting Office" are omitted as surplus. In clause (3), the word "financial" is omitted as surplus.

In subsections (b) and (d), the word "official" is substituted for "officer" for consistency.

In subsection (b), the words "Comptroller General" are substituted for "General Accounting Office" for consistency. The words "has the same authority that the head of the agency has" are substituted for "have the foregoing authority" for clarity. The words "by another agency" are omitted as surplus. The words "only . . . may compromise" are substituted for "nor shall the head of an agency, other than . . . have authority to compromise" to eliminate unnecessary words.

In subsection (c)(1), the words "that appears to be fraudulent, false, or misrepresented by" are substituted for "as to which there is an indication of fraud, the presentation of a false claim, or misrepresentation on the part of" to eliminate unnecessary words. The words "the debtor or . . . other" and "in whole or in part" are omitted as surplus.

In subsection (c)(2), the words "Notwithstanding any provision of the Federal Claims Collection Act of 1966" are omitted as unnecessary. The words "arising" and "an amount" are omitted as surplus.

In subsection (d), the words "effected . . . authority conferred by", "on the debtor and on all officials, agencies, and courts of the United States", "destroyed", and "with a person primarily responsible" are omitted as surplus.

In subsection (e), the words "in conformity with" are omitted as surplus.

In subsection (b), the words "at any time" in 31:131 are omitted as surplus. The words "the claim is discovered" are substituted for "the United States or any agency or official of the United States who is entitled to bring the same shall discover that the United States or any agency or official of the United States had such cause of action" to eliminate unnecessary words. The words "who is liable to any of the actions mentioned in sections 129 to 131 of this title" are omitted as surplus. The words "officer or employee of the Government" are substituted for "United States or any agency or official of the United States" before "enti-

tion" for consistency in the revised title and with other titles of the Code. The words "although such action would be otherwise barred by the provisions of sections 129 to 131 of this title" are omitted as surplus.

In subsection (c), the words "of the United States" and "allow . . . in" are omitted as surplus. The word "appropriate" is added for clarity. The word "Treasurer" is substituted for "Treasurer of the United States" before "for the amount" because of the source provisions restated in section 321 of the revised title and Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280). The words "cannot be brought because notice was not given within the time required under this subsection" are substituted for "shall have been barred pursuant to the provisions of sections 129 to 131 of this title upon a showing that the barring of such proceedings . . . required by the provision of section 129 of this title" for clarity. The word "Secretary" is substituted for "Treasurer of the United States" before "in failing" because of the source provisions restated in section 321 of the revised title and Department of the Treasury Order 229 of January 14, 1974.

In subsection (d), the words "arising from dual pay" are substituted for "arising out of the receipt by such person of compensation . . . in violation of any provision of law prohibiting or restricting the receipt of dual compensation" to eliminate unnecessary words and for consistency in the revised title and with other titles of the Code. The words "including Government owned or controlled corporations" are omitted as unnecessary. The words "or from the government of the District of Columbia" are omitted because of sections 102(a), 448, 449, and 761 of the District of Columbia Self-Government and Governmental Reorganization Act (Pub. L. 93-198, 87 Stat. 777, 801, 836).

§ 3713. Priority of Government claims

(a)(1) A claim of the United States Government shall be paid first when—

(A) a person indebted to the Government is insolvent and—

(i) the debtor without enough property to pay all debts makes a voluntary assignment of property;

(ii) property of the debtor, if absent, is attached; or

(iii) an act of bankruptcy is committed; or

(B) the estate of a deceased debtor, in the custody of the executor or administrator, is not enough to pay all debts of the debtor.

(2) This subsection does not apply to a case under title 11.

(b) A representative of a person or an estate (except a trustee acting under title 11) paying any part of a debt of the person or estate before paying a claim of the Government is liable to the extent of the payment for unpaid claims of the Government.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 972.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3713(a).....	31:191.	R.S. § 3466; Nov. 6, 1978, Pub. L. 95-598, § 322(a), 92 Stat. 2676.
3713(b).....	31:192.	R.S. § 3467; restated May 10, 1934, ch. 277, § 518(a), 48 Stat. 760; Nov. 8, 1978, Pub. L. 95-598, § 322(b), 92 Stat. 2676.

In the section, the word "claim" is substituted for "debts" for consistency. The word "due" is omitted as unnecessary.

In subsection (a)(1), before clause (A), the word "paid" is substituted for "satisfied" for consistency. In clause (A)(i), the words "and the priority established shall extend as well to cases in which" are omitted because of the restatement. In clause (A)(ii), the word "property" is substituted for "estate and effects" to eliminate unnecessary words. The words "absconding, concealed, or" and "by process of law" are omitted as surplus.

In subsection (a)(2), the words "The priority established under . . . however" are omitted as surplus.

In subsection (b), the words "A representative of a person or an estate" are substituted for "executor, administrator, or assignee, or other" for clarity and to eliminate unnecessary words. The words "for whom or for which he acts", "satisfies and", and "from such person or estate" are omitted as surplus. The word "liable" is substituted for "answerable in his own person and estate" for consistency.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 20 section 1087-2; title 22 section 1631g; title 28 sections 6326, 6901, 7421, 7432; title 29 section 1368; title 30 section 934; title 41 section 108; title 48 section 1423a; title 50 App. section 34.

§ 3714. Keeping money due States in default

The Secretary of the Treasury shall keep the necessary amount of money the United States Government owes a State when the State defaults in paying principal or interest on investments in stocks or bonds the State issues or guarantees and that the Government holds in trust. The money shall be used to pay the principal or interest or reimburse, with interest, money the Government advanced for interest due on the stocks or bonds.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 972.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3714	31:207.	R.S. § 3481.

The word "amount" is substituted for "whole, or so much thereof" for clarity. The word "owes" is substituted for "due on any account from the . . . to" to eliminate unnecessary words. The words "or either" and "thereon" are omitted as surplus.

§ 3715. Buying real property of a debtor

The head of an agency for whom a civil action is brought against a debtor of the United States Government may buy real property of the debtor at a sale on execution of the real property of the debtor resulting from the action. The head of the agency may not bid more for the property than the amount of the judgment for which the property is being sold, and costs. The marshal of the district in which the sale is held shall transfer the property to the Government.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 972.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3715	31:195.	R.S. § 3470; June 2, 1965, Pub. L. 89-30, § 5, 79 Stat. 119.

The words "by such agent as . . . shall appoint" are omitted as unnecessary. The word "agency" is substituted for "department or independent agency" because of the restatement. The words "for whom a civil action is brought" are substituted for "at whose instance suit was instituted" for consistency. The words "real property" are substituted for "lands or tenements" for clarity and consistency. The words "in behalf of the United States" are omitted as surplus. The words "for the property" are added for clarity. The word "property" is substituted for "such estate" for consistency in the section. The words "Whenever such purchase is made" are omitted as surplus. The words "transfer the property" are substituted for "make all needful conveyances, assignments, or transfers" to eliminate unnecessary words and for clarity.

§ 3716. Administrative offset

(a) After trying to collect a claim from a person under section 3711(a) of this title, the head of an executive or legislative agency may collect the claim by administrative offset. The head of the agency may collect by administrative offset only after giving the debtor—

(1) written notice of the type and amount of the claim, the intention of the head of the agency to collect the claim by administrative offset, and an explanation of the rights of the debtor under this section;

(2) an opportunity to inspect and copy the records of the agency related to the claim;

(3) an opportunity for a review within the agency of the decision of the agency related to the claim; and

(4) an opportunity to make a written agreement with the head of the agency to repay the amount of the claim.

(b) Before collecting a claim by administrative offset under subsection (a) of this section, the head of an executive or legislative agency must prescribe regulations on collecting by administrative offset based on—

(1) the best interests of the United States Government;

(2) the likelihood of collecting a claim by administrative offset; and

(3) for collecting a claim by administrative offset after the 6-year period for bringing a civil action on a claim under section 2415 of title 28 has expired, the cost effectiveness of leaving a claim unresolved for more than 6 years.

(c) This section does not apply—

(1) to a claim under this subchapter that has been outstanding for more than 10 years; or

(2) when a statute explicitly provides for or prohibits using administrative offset to collect the claim or type of claim involved.

(Added Pub. L. 97-452, § 1(16)(A), Jan. 12, 1983, 96 Stat. 2471.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3716(a)	31 App.:954(a) (words before last comma), (c).	July 19, 1966, Pub. L. 89-508, 80 Stat. 308, § 5(a)-(d); added Oct. 25, 1962, Pub. L. 97-365, § 10(2), 96 Stat. 1754.
3716(b)	31 App.:954(b).	
3716(c)(1)	31 App.:954(a) (words after last comma).	
3716(c)(2)	31 App.:954(d).	

In the subchapter, the words "or his designee" are omitted as unnecessary.

In subsection (a)(1), the words "head of the" are added for consistency in the revised title and with other titles of the United States Code.

In subsection (b)(1), the word "Government" is added for consistency in the revised title and with other titles of the Code.

In subsection (b)(3), the word "civil" is added for consistency in the revised title and with other titles of the Code.

In subsection (c)(2), the word "either" is omitted as surplus.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3701 of this title; title 5 section 5514; title 7 section 2025; title 18 section 1114; title 20 section 1234a; title 28 section 2415; title 42 section 5042; title 45 section 64a.

§ 3717. Interest and penalty on claims

(a)(1) The head of an executive or legislative agency shall charge a minimum annual rate of interest on an outstanding debt on a United States Government claim owed by a person that is equal to the average investment rate for the Treasury tax and loan accounts for the 12-month period ending on September 30 of each year, rounded to the nearest whole percentage point. The Secretary of the Treasury shall publish the rate before November 1 of that year. The rate is effective on the first day of the next calendar quarter.

(2) The Secretary may change the rate of interest for a calendar quarter if the average investment rate for the 12-month period ending at the close of the prior calendar quarter, rounded to the nearest whole percentage point, is more or less than the existing published rate by 2 percentage points.

(b) Interest under subsection (a) of this section accrues from the date—

(1) on which notice is mailed after October 25, 1982, if notice was first mailed before October 25, 1982; or

(2) notice of the amount due is first mailed to the debtor at the most current address of the debtor available to the head of the executive or legislative agency, if notice is first mailed after October 24, 1982.

(c) The rate of interest charged under subsection (a) of this section—

(1) is the rate in effect on the date from which interest begins to accrue under subsection (b) of this section; and

(2) remains fixed at that rate for the duration of the indebtedness.

(d) Interest under subsection (a) of this section may not be charged if the amount due on the claim is paid within 30 days after the date from which interest accrues under subsection (b) of this section. The head of an executive or legislative agency may extend the 30-day period.

(e) The head of an executive or legislative agency shall assess on a claim owed by a person—

- (1) a charge to cover the cost of processing and handling a delinquent claim; and
- (2) a penalty charge of not more than 6 percent a year for failure to pay a part of a debt more than 90 days past due.

(f) Interest under subsection (a) of this section does not accrue on a charge assessed under subsection (e) of this section.

(g) This section does not apply—

- (1) if a statute, regulation required by statute, loan agreement, or contract prohibits charging interest or assessing charges or explicitly fixes the interest or charges; and
- (2) to a claim under a contract executed before October 25, 1982, that is in effect on October 25, 1982.

(h) In conformity with standards prescribed jointly by the Attorney General and the Comptroller General, the head of an executive or legislative agency may prescribe regulations identifying circumstances appropriate to waiving collection of interest and charges under subsections (a) and (e) of this section. A waiver under the regulations is deemed to be compliance with this section.

(Added Pub L. 97-452, § 1(16)(A), Jan. 12, 1983, 96 Stat. 2472.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3717(a)	31 App.:952(e)(1) (1st-3d sentences).	July 19, 1966, Pub. L. 89-508, 80 Stat. 308, § 3(e)(1) (1st-3d sentences), (2)-(7); added Oct. 25, 1982, Pub. L. 97-365, § 11, 96 Stat. 1755.
3717(b), (c).	31 App.:952(e)(5).	
3717(d)	31 App.:952(e)(6).	
3717(e)	31 App.:952(e)(2).	
3717(f)	31 App.:952(e)(7).	
3717(g)(1).	31 App.:952(e)(3) (1st sentence).	
3717(g)(2).	31 App.:952(e)(4).	
3717(h)	31 App.:952(e)(3) (2d, last sentences).	

In subsection (a), the words "percentage point" and "percentage points" are substituted for "per centum" for clarity.

In subsections (a)(1) and (e), the words "Except as provided in paragraph (3)" are omitted as surplus.

In subsection (a)(2), the words "for a calendar quarter" are substituted for "quarterly", and the words "prior calendar quarter" are substituted for "that calendar quarter", for clarity.

In subsection (b), before clause (1), the words "Subject to paragraph (6)" and "except as provided in subparagraph (B)" are omitted as surplus. In clause (2), the words "on the claim" are omitted as surplus. The words "if notice is first mailed after October 24, 1982" are added for clarity.

In subsection (c), the words "on a claim" are omitted as surplus.

In subsection (g)(1), the words "applicable" and "either" are omitted as surplus. The word "assessing" is added for clarity. The words "that apply to claims involved" are omitted as surplus.

In subsection (h), the words "under this section" are added for clarity.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3701 of this title; title 5 section 5514; title 7 section 2025; title 18 section 1114; title 20 section 1234a; title 28 section 6103; title 42 section 5042; title 45 section 64a.

§ 3718. Contracts for collection services

(a) Under conditions the head of an executive or legislative agency considers appropriate, the head of the agency may make a contract with a person for collection services to recover indebtedness owed the United States Government. The contract shall provide that—

- (1) the head of the agency retains the authority to resolve a dispute, compromise a claim, end collection action, and refer a matter to the Attorney General to bring a civil action; and
- (2) the person is subject to—
 - (A) section 552a of title 5, to the extent provided in section 552a(m); and
 - (B) laws and regulations of the United States Government and State governments related to debt collection practices.

(b) Notwithstanding section 3302(b) of this title, a contract under subsection (a) of this section may provide that a fee a person charges to recover indebtedness owed the United States Government is payable from the amount recovered.

(c) A contract under subsection (a) of this section is effective only to the extent and in the amount provided in an appropriation law.

(d) This section does not apply to the collection of debts under the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.).

(Added Pub L. 97-452, § 1(16)(A), Jan. 12, 1983, 96 Stat. 2473.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3718(a)	31 App.:952(f)(1) (1st sentence words after 2d comma, last sentence).	July 19, 1966, Pub. L. 89-508, 80 Stat. 308, § 3(f); added Oct. 25, 1982, Pub. L. 97-365, § 13(b), 96 Stat. 1757.
3718(b)	31 App.:952(f)(2).	
3718(c)	31 App.:952(f)(3).	
3718(d)	31 App.:952(f)(1) (1st sentence words before 2d comma).	

In subsections (a) and (b), the word "Government" is added for consistency in the revised title and with other titles of the United States Code.

In subsection (a), before clause (1), the words "terms and" are omitted as surplus. The words "or organization" are omitted because of 1:1. In clause (1), the words "bring a civil action" are substituted for "initiate legal action" for consistency in the revised title and with other titles of the Code. In clause (2)(B), the words "including the Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.)" are omitted as being included in "laws and regulations of the United States Government".

In subsection (b), the words "the head of an agency" are omitted as surplus.

In subsection (c), the word "advanced" is omitted as surplus.

In subsection (d), the words "Notwithstanding the provisions of any other law governing the collection of claims owed the United States" and "unpaid or underpaid" are omitted as surplus.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 3302, 3701 of this title; title 5 section 5514; title 7 section 2025; title 18 section 1114; title 20 section 1234a; title 26 section 6103; title 42 section 5042; title 45 section 64a.

§ 3719. Reports on debt collection activities

(a) In consultation with the Secretary of the Treasury and the Comptroller General, the Director of the Office of Management and Budget shall prescribe regulations requiring the head of each agency with outstanding debts to prepare and submit to the Director and the Secretary at least once each year a report summarizing the status of loans and accounts receivable managed by the head of the agency. The report shall contain—

(1) information on—

(A) the total amount of loans and accounts receivable owed the agency and when amounts owed the agency are due to be repaid;

(B) the total amount of receivables and number of claims at least 30 days past due;

(C) the total amount written off as actually uncollectible and the total amount allowed for uncollectible loans and accounts receivable;

(D) the rate of interest charged for overdue debts and the amount of interest charged and collected on debts;

(E) the total number of claims and the total amount collected; and

(F) the number and total amount of claims referred to the Attorney General for settlement and the number and total amount of claims the Attorney General settles;

(2) the information described in clause (1) of this subsection for each program or activity the head of the agency carries out; and

(3) other information the Director considers necessary to decide whether the head of the agency is acting aggressively to collect the claims of the agency.

(b) The Director shall analyze the reports submitted under subsection (a) of this section and shall report annually to Congress on the management of debt collection activities by the head of each agency, including the information provided the Director under subsection (a).

(Added Pub L. 97-452, § 1(16)(A), Jan. 12, 1983, 96 Stat. 2473.)

In subsection (a), before clause (1), the words "of the United States" are omitted as surplus. The words "the head of" are added for consistency in the revised title and with other titles of the United States Code. In clause (1)(C), the words "uncollectible loans and accounts receivable" are added for clarity. In clause (1)(F), the words "Attorney General" are substituted for "Department of Justice" for consistency in the revised title and with other titles of the Code, including 28:503, 509.

In subsection (b), the word "submitted" is substituted for "received by each agency" for clarity.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3701 of this title.

SUBCHAPTER III—CLAIMS AGAINST THE UNITED STATES GOVERNMENT

§ 3721. Claims of personnel of agencies and the District of Columbia government for personal property damage or loss

(a) In this section—

(1) "agency" does not include a nonappropriated fund activity or a contractor with the United States Government.

(2) "head of an agency" means—

(A) for a military department, the Secretary of the military department;

(B) for the Department of Defense (except the military departments), the Secretary of Defense; and

(C) for another agency, the head of the agency.

(3) "settle" means consider, determine, adjust, and dispose of a claim by disallowance or by complete or partial allowance.

(b) The head of an agency may settle and pay not more than \$25,000 for a claim against the Government made by a member of the uniformed services under the jurisdiction of the agency or by an officer or employee of the agency for damage to, or loss of, personal property incident to service. A claim allowed under this subsection may be paid in money or the personal property replaced in kind.

(c)(1) The head of an agency may settle and pay not more than \$40,000 for a claim against the Government made by a member of the uniformed services under the jurisdiction of the agency or by an officer or employee of the agency for damage to, or loss of, personal property in a foreign country that was incurred after December 30, 1978, incident to service, and—

(A)(i) the member, officer, or employee was evacuated from the country after December 30, 1978, on a recommendation or order of the Secretary of State or other competent authority that was made in responding to an incident of political unrest or hostile act by people in that country; and

(ii) the damage or loss resulted from the evacuation, incident, or hostile act; or

(B) the damage or loss resulted from a hostile act directed against the Government or its members, officers, or employees.

(2) On paying a claim under this subsection, the Government is subrogated for the amount

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3719(a)	31 App.:955(a).	Oct. 25, 1982, Pub. L. 97-365, § 12, 96 Stat. 1756.
3719(b)	31 App.:955(b).	

of the payment to a right or claim that the claimant may have against the foreign country for the damage or loss for which the Government made the payment.

(3) Amounts may be obligated or expended for claims under this subsection only to the extent provided in advance in appropriation laws.

(d) The Mayor of the District of Columbia may settle and pay a claim against the District of Columbia government made by an officer or employee of the District of Columbia government to the same extent the head of an agency may settle and pay a claim under this section.

(e) A claim may not be allowed under this section if the personal property damage or loss occurred at quarters occupied by the claimant in a State or the District of Columbia that were not assigned or provided in kind by the United States Government or the District of Columbia government.

(f) A claim may be allowed under this section only if—

(1) the claim is substantiated;

(2) the head of the agency decides that possession of the property was reasonable or useful under the circumstances; and

(3) no part of the loss was caused by any negligent or wrongful act of the claimant or an agent or employee of the claimant.

(g) A claim may be allowed under this section only if it is presented in writing within 2 years after the claim accrues. However, if a claim under subsection (b) of this section accrues during war or an armed conflict in which an armed force of the United States is involved, or has accrued within 2 years before war or an armed conflict begins, and for cause shown, the claim must be presented within 2 years after the cause no longer exists or after the war or armed conflict ends, whichever is earlier. An armed conflict begins and ends as stated in a concurrent resolution of Congress or a decision of the President.

(h) The head of the agency—

(1) may settle and pay a claim made by the surviving spouse, child, parent, or brother or sister of a dead member, officer, or employee if the claim is otherwise payable under this section; and

(2) may settle and pay the claims by the survivors only in the following order:

(A) the spouse's claim.

(B) a child's claim.

(C) a parent's claim.

(D) a brother's or sister's claim.

(i) Notwithstanding a contract, the representative of a claimant may not receive more than 10 percent of a payment of a claim made under this section for services related to the claim. A person violating this subsection shall be fined not more than \$1,000.

(j) The President may prescribe policies to carry out this section (except subsection (b) to the extent that subsection (b) applies to the military departments, the Department of Defense, and the Coast Guard). Subject to those policies, the head of each agency shall prescribe regulations to carry out this section.

(k) Settlement of a claim under this section is final and conclusive.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 973; Pub. L. 97-452, § 1(17), Jan. 12, 1983, 96 Stat. 2474.)

HISTORICAL AND REVISION NOTES

1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3721(a), (b).	31:240(3). 31:241(a)(1)(1st sentence words after 3d comma, 2d sentence words after last comma, last sentence). 31:241(a)(2)(words after 1st comma). 31:241(b)(1)(1st sentence words after 5th comma, 2d sentence words after last comma, last sentence). 31:243a(d)(2d sentence related to payment).	Aug. 31, 1964, Pub. L. 88-558, §§ 2(3), 4, 78 Stat. 767, 768. Aug. 31, 1964, Pub. L. 88-558, § 3(a)(1), 78 Stat. 767; re-stated Sept. 15, 1965, Pub. L. 89-185, § 3(b), 79 Stat. 789; Oct. 18, 1974, Pub. L. 93-455, § 1(a), 88 Stat. 1361. Aug. 31, 1964, Pub. L. 88-558, § 3(a)(2), (3), (b)(2)-(d), 78 Stat. 767; re-stated Sept. 15, 1965, Pub. L. 89-185, § 3(b)-(d), 79 Stat. 789, 790. Aug. 31, 1964, Pub. L. 88-558, § 3(b)(1), 78 Stat. 767; Sept. 15, 1965, Pub. L. 89-185, § 3(b), 79 Stat. 790; July 13, 1972, Pub. L. 92-352, § 106(a), 86 Stat. 491; re-stated Oct. 18, 1974, Pub. L. 93-455, § 1(b), 88 Stat. 1361. Aug. 31, 1964, Pub. L. 88-558, 78 Stat. 767, § 9; added Dec. 12, 1980, Pub. L. 96-519, § 1, 94 Stat. 3031.
3721(c)(1).	31:243a(a)(words after 1st comma).	
3721(c)(2).	31:243a(c).	
3721(c)(3).	31:243a(note).	Dec. 12, 1980, Pub. L. 96-519, § 2, 94 Stat. 3032.
3721(d).....	31:241(f).	Aug. 31, 1964, Pub. L. 88-558, 78 Stat. 767, § 3(f); added Oct. 12, 1988, Pub. L. 90-561, 82 Stat. 998.
3721(e).....	31:241(c)(2).	
3721(f).....	31:241(a)(1)(2d sentence words before last comma), (b)(1)(2d sentence words before last comma), (c)(3). 31:243a(d)(2d sentence less payment, last sentence).	
3721(g).....	31:241(c)(1), (d).	
3721(h).....	31:243a(c).	
3721(i).....	31:241(a)(3), (b)(2). 31:243a(b).	
3721(j).....	31:243.	Aug. 31, 1964, Pub. L. 88-558, 78 Stat. 767, § 8; added Sept. 15, 1985, Pub. L. 89-185, § 5, 79 Stat. 791.
3721(k).....	31:241(a)(1)(1st sentence words before 3d comma), (2)(words before 1st comma), (b)(1)(1st sentence words before 5th comma). 31:243a(a)(words before 1st comma), (d)(1st sentence). 31:242.	

In the section, the words "or his designee" are omitted as unnecessary.

In subsections (b) and (c), the word "civilian" is omitted as surplus.

In subsection (b), the words "arising after August 31, 1964" and "arising after October 18, 1974" and 31:241(a)(1)(last sentence) and (b)(1)(last sentence) are omitted as executed.

In subsection (c)(1)(B), the words "mob violence, terrorist attacks, or other" are omitted as surplus. The word "members" is added for consistency.

In subsection (c)(2), the words "in which that damage or loss occurred" are omitted as surplus.

In subsection (c)(3), the text of section 2(last sentence) of the Act of December 12, 1980 (Pub. L. 96-519, 94 Stat. 3032) is omitted as obsolete.

Subsection (d) is substituted for 31:241(f) because of the restatement.

In subsection (e), the words "assigned to him or otherwise" in 31:241(c)(2) are omitted as surplus. The words "or the District of Columbia government" are added because of the restatement.

In subsection (f), the words "the head of the agency decides" are substituted for "determined to be" in 31:241(b)(1) for clarity.

In subsection (g), the text of 31:243a(c)(words after 1st comma) are omitted as executed. The words "in writing" and "of the United States" in 31:241(c)(1) are omitted as unnecessary.

In subsection (h)(1), the words "the surviving . . . of a dead member, officer, or employee" are substituted for "If a person named in this subsection is dead" and "the decedent's surviving" in 31:241(a)(3) and (b)(2) and "if such person is deceased" and "the decedent's surviving" in 31:243a(b) to omit surplus words. The words "that arose before, concurrently with, or after the decedent's death" in 31:241(a)(3) and (b)(2) and 31:243a(b) are omitted as surplus. The words "child, parent, or brother or sister" are substituted for "(2) children, (3) father or mother, or both, or (4) brothers or sisters, or both" to eliminate surplus words and because of 1:1. The words "otherwise payable" are substituted for "otherwise covered" for clarity.

Subsection (h)(2) is substituted for "Claims of survivors shall be settled and paid in the order named" in 31:241(a)(3) and (b)(2) and "Claims of survivors shall be settled and paid in the order set forth in the preceding sentence" in 31:243a(b) for clarity.

In subsection (i), the words "to the contrary" are omitted as surplus. The words "representative of a claimant" are substituted for "agent or attorney" for clarity and consistency. The words "be paid or delivered to or" are omitted as surplus. The word "payment" is substituted for "amount paid in settlement" to eliminate unnecessary words. The words "individual . . . submitted and settled . . . the authority of" are omitted as surplus. The words "and the same shall be unlawful" are omitted because of the restatement. The words "shall be deemed guilty of a misdemeanor and upon conviction thereof . . . in any sum" are omitted as surplus.

In subsection (j), the words "the purposes of" in 31:241(b)(1)(1st sentence words before 5th comma) are omitted as surplus. The words "(except subsection (b) to the extent that subsection (b) applies to the military departments, the Department of Defense, and the Coast Guard)" are substituted for the source provisions because of the restatement. The words "to carry out this section" after "regulations" are added for clarity.

In subsection (k), the words "Notwithstanding any other provision of law" are omitted as unnecessary.

1983 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3721(b).....	31 App.:241(a)(1), (b)(1).	July 28, 1982, Pub. L. 97-226, § 1(a), 96 Stat. 246.

AMENDMENTS

1983—Subsec. (b). Pub. L. 97-452 substituted "\$25,000" for "\$15,000".

EFFECTIVE DATE OF 1983 AMENDMENT

Section 2(g) of Pub. L. 97-452 provided that: "The amendment made by section 1(17) of this Act [amending subsec. (b) of this section] applies only to claims arising after July 27, 1982."

8 3722. Claims of officers and employees at Government penal and correctional institutions

(a) The Attorney General may settle and pay not more than \$1,000 in any one case for a claim made by an officer or employee at a United States Government penal or correctional institution for damage to, or loss of, personal property incident to employment.

(b) A claim may not be allowed under this section if the loss occurred at quarters occupied by the claimant that were not assigned or provided in kind by the Government.

(c) A claim may be allowed only if—

(1) no part of the loss was caused by any negligent or wrongful act of the claimant or an agent or employee of the claimant;

(2) the Attorney General decides that possession of the property was reasonable or useful under the circumstances; and

(3) it is presented in writing within one year after it accrues.

(d) A claim may be paid under this section only if the claimant accepts the amount of the settlement in complete satisfaction of the claim.

(e) Necessary amounts are authorized to be appropriated to carry out this section.

(Pub. L. 97-256, Sept. 13, 1982, 96 Stat. 974.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3722(a).....	31:238(1st sentence).	June 10, 1949, ch. 187, 63 Stat. 167.
3722(b).....	31:238(2d sentence last 25 words before last semicolon).	
3722(c).....	31:238(2d sentence less last 25 words before last semicolon).	
3722(d).....	31:238(last sentence).	
3722(e).....	31:238(note).	

In subsection (a), the words "and such other officer or officers as he may designate for such purpose" are omitted as unnecessary because of 28:509. The word "settle" is substituted for "consider, determine, adjust" for consistency. The words "the sum of" are omitted as surplus. The words "officer or employee" are substituted for "persons employed" for consistency in the revised title and with other titles of the United States Code. The words "or destruction" are omitted as surplus.

In subsection (b), the words "assigned to him . . . otherwise" are omitted as surplus.

In subsection (c)(1), the words "no part" are substituted for "not . . . in whole or in part" because of the restatement.

In subsection (c)(2), the words "the Attorney General decides that possession of" are substituted for "is determined" for clarity. The words "claimed to be damaged, lost, or destroyed" and "necessary, or proper . . . attendant" are omitted as surplus.

In subsection (c)(3), the word "accrues" is substituted for "the occurrence of the accident or incident out of which such claim arises" to eliminate unnecessary words.

In subsection (d), the words "A claim may be paid under this section" are added for clarity. The words "the amount of the settlement" are substituted for "an award hereunder" for consistency. The words "in complete satisfaction of the claim" are substituted for

"shall release the United States, its agents or employees, from any further claim by such claimant arising out of the same incident" to eliminate unnecessary words.

8 3723. Small claims for privately owned property damage or loss

(a) The head of an agency (except a military department of the Department of Defense or the Coast Guard) may settle a claim for not more than \$1,000 for damage to, or loss of, privately owned property that—

(1) is caused by the negligence of an officer or employee of the United States Government acting within the scope of employment; and

(2) may not be settled under chapter 171 of title 28.

(b) A claim under this section may be allowed only if it is presented to the head of the agency within one year after it accrues.

(c) A claim under this section may be paid as provided in section 1304 of this title only if the claimant accepts the amount of the settlement in complete satisfaction of the claim against the Government.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 975.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3723(a).....	31:215(1st sentence), 216, 31:216(note). 31:216(note). 31:216(note).	Dec. 28, 1922, ch. 17, §§ 1-3, 42 Stat. 1086. July 3, 1943, ch. 189, § 4, 57 Stat. 373. Dec. 28, 1945, ch. 597, § 4(words before 3d comma), 59 Stat. 662. Dec. 28, 1945, ch. 597, 59 Stat. 662, § 5(last sentence); added Mar. 20, 1946, ch. 104, 60 Stat. 56. Aug. 2, 1946, ch. 753, § 424(a)(last par. on p. 846), 60 Stat. 846.
3723(b).....	31:215(last sentence proviso).	
3723(c).....	31:215(last sentence less proviso), 217.	

In subsection (a), before clause (1), the text of 31:216(words before semicolon) is omitted as unnecessary because of section 102 of the revised title. The words "acting on behalf of the Government of the United States" in 31:215 are omitted as unnecessary. The word "settle" is substituted for "consider, ascertain, adjust, and determine" for consistency. The words "after April 6, 1917" are omitted as executed.

In subsection (c), the words "A claim under this section may be paid" are added for clarity. The words "as provided in section 1304 of this title" are substituted for 31:215(last sentence less proviso) because 31:215(last sentence less proviso) is superseded by section 201 of the Supplemental Appropriations Act, 1978 (Pub. L. 95-240, 92 Stat. 116). The words "of the settlement" are substituted for "determined under the provisions of sections 215 and 216 of this title" in 31:217 for consistency and to eliminate unnecessary words. The word "complete" is substituted for "full" for consistency. The word "satisfaction" is substituted for "settlement" for clarity.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1304 of this title.

8 3724. Claims for damages caused by the Federal Bureau of Investigation

(a) The Attorney General may settle, for not more than \$500 in any one case, a claim for personal injury, death, or damage to, or loss of, privately owned property, caused by the Director or an Assistant Director, inspector, or special agent of the Federal Bureau of Investigation acting within the scope of employment that may not be settled under chapter 171 of title 28. An officer or employee of the United States Government may not present a claim arising during the scope of employment. A claim may be allowed only if it is presented to the Attorney General within one year after it accrues.

(b) The Attorney General shall certify to Congress a settlement under this section for payment out of an appropriation that may be made to pay the settlement. The Attorney General shall include a brief statement on the type of the claim, the amount claimed, and the amount of the settlement.

(c) A claim may be paid under this section only if the claimant accepts the amount of the settlement in complete satisfaction of the claim against the Government.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 975.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3724(a).....	31:224b(words before 9th comma and between 10th and 11th commas, 1st, 2d provisos). 31:224b(note).	Mar. 20, 1936, ch. 159, 49 Stat. 1184. Aug. 2, 1946, ch. 753, § 424(a)(2d par. on p. 847), (b)(related to 2d par. of (a) on p. 847), 60 Stat. 847.
3724(b).....	31:224b(words between 9th and 10th commas and between 11th comma and 1st proviso).	
3724(c).....	31:224b(last proviso).	

In subsection (a), the words "of the United States" are omitted as unnecessary. The word "settle" is substituted for "consider, adjust, and determine" for consistency. The words "after January 1, 1934" are omitted as executed. The words "personal injury, death" are substituted for "damages to any person" for clarity. The words "of the Department of Justice" are omitted as unnecessary. The words "that may not be settled under chapter 171 of title 28" are substituted for section 424(a)(2d par. on p. 847) and (b)(related to 2d par. of (a) on p. 847) of the Legislative Reorganization Act of 1946 (31:224b(note)) because of the restatement. The words "An officer or employee of the United States Government may not present a claim arising during the scope of employment" are substituted for 31:224b(1st proviso) to eliminate unnecessary words. The text of 31:224b(2d proviso words after semicolon) is omitted as executed.

In subsection (b), the word "settlement" is substituted for "amount as may be found due to any claimant . . . as a legal claim" for clarity and consistency. The words "by Congress" are omitted as surplus.

In subsection (c), the words "A claim may be paid under this section" are added for clarity. The words "of the settlement" are substituted for "determined to be due him under the provisions of this section" for

consistency and to eliminate unnecessary words. The word "complete" is substituted for "full and final" to eliminate unnecessary words. The word "satisfaction" is substituted for "settlement" for clarity.

§ 3725. Claims of non-nationals for personal injury or death in a foreign country

(a) The Secretary of State may settle, for not more than \$1,500 in any one case, a claim for personal injury or death of an individual not a national of the United States in a foreign country in which the United States exercises privileges of extraterritoriality when the injury or death is caused by an officer, employee, or agent of the United States Government (except of a military department of the Department of Defense or the Coast Guard). An officer or employee of the Government may not present a claim. A claim under this section may be allowed only if it is presented to the Secretary within one year after it accrues.

(b) The Secretary shall certify to Congress a settlement under this section for payment out of an appropriation that may be made to pay the settlement. The Secretary shall include a brief statement on the type of the claim, the amount claimed, and the amount of the settlement.

(c) A claim may be paid under this section only if the claimant accepts the amount of the settlement in complete satisfaction of the claim against the Government.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 975.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3725(a).....	31:224a(words before 21st comma, 1st, 2d provisos). 31:224a(note).	Feb. 13, 1936, ch. 67, 49 Stat. 1136. July 3, 1943, ch. 189, § 7, 57 Stat. 374. Dec. 28, 1945, ch. 597, § 1, 59 Stat. 662. Dec. 28, 1945, ch. 597, 59 Stat. 662, § 5(1st sentence); added Mar. 20, 1946, ch. 104, 60 Stat. 56.
3725(b).....	31:224a(words between 21st comma and 1st proviso).	
3725(c).....	31:224a(last proviso).	

In subsection (a), the word "settle" is substituted for "consider, adjust, and determine" for consistency. The words "United States currency" are omitted as surplus. The words "after February 13, 1936" are omitted as executed. The words "act of omission of any" are omitted as surplus. The words "(except of a military department of the Department of Defense or the Coast Guard)" are substituted for "including all officers, enlisted men, and employees of the Army, Air Force, Navy, and Marine Corps" because of 10:2734, section 7 of the Act of July 3, 1943 (ch. 189, 57 Stat. 374), and sections 1 and 5(1st sentence) of the Act of December 28, 1945 (ch. 597, 59 Stat. 662). The words "An officer or employee of the Government may not present a claim" are substituted for 31:224a(1st proviso) for consistency and to eliminate unnecessary words. The words "by the Secretary of State" are omitted as surplus.

In subsection (b), the word "settlement" is substituted for "amount as may be found to be due to any claimant . . . as a legal claim" for clarity and consistency. The words "by Congress" are omitted as surplus.

In subsection (c), the words "A claim may be paid under this section" are added for clarity. The words "of the settlement" are substituted for "determined under the provisions of this section" for consistency and to eliminate unnecessary words. The word "complete" is substituted for "full" for consistency. The word "satisfaction" is substituted for "settlement" for clarity.

§ 3726. Payment for transportation

(a) A carrier or freight forwarder presenting a bill for transporting an individual or property for the United States Government shall be paid before the Administrator of General Services conducts an audit. A claim under this section shall be allowed only if it is received by the Administrator not later than 3 years (excluding time of war) after the later of the following dates:

- (1) accrual of the claim;
- (2) payment for the transportation is made;
- (3) refund for an overpayment for the transportation is made; or
- (4) a deduction under subsection (b) of this section is made.

(b) Not later than 3 years (excluding time of war) after the time a bill is paid, the Government may deduct from an amount subsequently due a carrier or freight forwarder an amount paid on the bill that was greater than the rate allowed under—

- (1) a lawful tariff on file with the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Maritime Commission, or a State transportation authority; or
- (2) sections 10721-10724 of title 49 or an equivalent arrangement or an exemption.

(c) Under regulations the head of an agency prescribes that conform with standards the Secretary of the Treasury and the Comptroller General prescribe jointly, a bill under this section may be paid before the transportation is completed notwithstanding section 3324 of this title when a carrier or freight forwarder issues the usual document for the transportation. Payment for transportation ordered but not provided may be recovered by deduction or other means.

(d)(1) A carrier or freight forwarder may request the Comptroller General to review the action of the Administrator if the request is received not later than 6 months (excluding time of war) after the Administrator acts or within the time stated in subsection (a) of this section, whichever is later.

(2) This section does not prevent the Comptroller General from conducting an audit under chapter 35 of this title.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 976.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3726(a).....	31:244(a)(1st sentence, last sentence last proviso).	Sept. 18, 1940, ch. 722, § 322(a), 54 Stat. 955; Aug. 26, 1958, Pub. L. 85-762, § 2, 72 Stat. 890; Oct. 25, 1972, Pub. L. 92-550, § 1(a), 86 Stat. 1163; Jan. 2, 1975, Pub. L. 93-604, § 201(1), (2), 88 Stat. 1960.

HISTORICAL AND REVISION NOTES—Continued

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3726(b).....	31:244(a)(2d sentence, last sentence less last proviso).	
3726(c).....	31:244(c), (d).	Sept. 18, 1940, ch. 722, 54 Stat. 898, § 322(c), (d); added Oct. 25, 1972, Pub. L. 92-550, § 1(b), 86 Stat. 1164; Jan. 2, 1975, Pub. L. 93-604, § 201(3), 88 Stat. 1960.
3726(d)(1).	31:244(b).	Sept. 18, 1940, ch. 722, 54 Stat. 898, § 322(b); added Jan. 2, 1975, Pub. L. 93-604, § 201(3), 88 Stat. 1960.
3726(d)(2).	31:244(a)(3d sentence).	

In the section, the words "Administrator of General Services" are substituted for "General Services Administration, or his designee" for consistency. The word "freight" is added for clarity and consistency with 49:10101 et seq.

In subsection (a), before clause (1), the word "individual" is substituted for "persons" for consistency. The words "or on behalf of" are omitted as unnecessary. The words "for charges for transportation . . . the purview of" are omitted as surplus. In clause (1), the word "claim" is substituted for "cause of action thereon" for consistency. In clauses (2) and (3), the words "is made" are substituted for "of charges . . . involved" and "subsequent . . . of such charges" to eliminate unnecessary words.

In subsection (b), before clause (1), the words "Provided, however, That such deductions shall be made" are omitted because of the restatement. The words "found to be" are omitted as surplus. The words "of any overcharge by any carrier or forwarder" and "The term 'overcharges' shall be deemed to mean . . . those applicable thereto" are omitted because of the restatement. The word "rate" is substituted for "charges for transportation services" and "rates, fares, and charges" for consistency with title 49. In clause (1), the word "authority" is substituted for "regulatory agency" for consistency. In clause (2), the words "established" and "contract . . . from regulation" are omitted as surplus.

In subsection (c), the text of 31:244(d) and the words "Government", "or his designee", and "of the United States" are omitted as unnecessary. The words "under this section" are substituted for "for passenger or freight transportation services to be furnished the United States by any carrier or forwarder" to eliminate unnecessary words. The word "transportation" is substituted for "services" for consistency. The words "ticket, receipt, bill of lading, or equivalent . . . involved" and "as ordered by the United States" are omitted as surplus.

In subsection (d)(1), the words "may request" are substituted for "Nothing in subsection (a) of this section hereof shall be deemed to prevent . . . from requesting" to eliminate unnecessary words. The words "of limitation" are omitted as surplus.

In subsection (d)(2), the words "Comptroller General" are substituted for "General Accounting Office" for consistency.

TERMINATION OF CIVIL AERONAUTICS BOARD AND TRANSFER OF CERTAIN FUNCTIONS

All functions, powers, and duties of the Civil Aeronautics Board were terminated or transferred by section 1551 of Title 49, Appendix, Transportation, effective in part on Dec. 31, 1981, in part on Jan. 1, 1983, and in part on Jan. 1, 1985.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3528 of this title; title 2 sections 142b, 142e, 142f; title 44 section 308; title 49 section 11706.

§ 3727. Assignments of claims

(a) In this section, "assignment" means—

(1) a transfer or assignment of any part of a claim against the United States Government or of an interest in the claim; or

(2) the authorization to receive payment for any part of the claim.

(b) An assignment may be made only after a claim is allowed, the amount of the claim is decided, and a warrant for payment of the claim has been issued. The assignment shall specify the warrant, must be made freely, and must be attested to by 2 witnesses. The person making the assignment shall acknowledge it before an official who may acknowledge a deed, and the official shall certify the assignment. The certificate shall state that the official completely explained the assignment when it was acknowledged. An assignment under this subsection is valid for any purpose.

(c) Subsection (b) of this section does not apply to an assignment to a financing institution of money due or to become due under a contract providing for payments totaling at least \$1,000 when—

(1) the contract does not forbid an assignment;

(2) unless the contract expressly provides otherwise, the assignment—

(A) is for the entire amount not already paid;

(B) is made to only one party, except that it may be made to a party as agent or trustee for more than one party participating in the financing; and

(C) may not be reassigned; and

(3) the assignee files a written notice of the assignment and a copy of the assignment with the contracting official or the head of the agency, the surety on a bond on the contract, and any disbursing official for the contract.

(d) During a war or national emergency proclaimed by the President or declared by law and ended by proclamation or law, a contract with the Department of Defense, the General Services Administration, the Department of Energy (when carrying out duties and powers formerly carried out by the Atomic Energy Commission), or other agency the President designates may provide, or may be changed without consideration to provide, that a future payment under the contract to an assignee is not subject to reduction or setoff. A payment subsequently due under the contract (even after the war or emergency is ended) shall be paid to the assignee without a reduction or setoff for liability of the assignor—

(1) to the Government independent of the contract; or

(2) because of renegotiation, fine, penalty (except an amount that may be collected or withheld under, or because the assignor does

not comply with, the contract), taxes, social security contributions, or withholding or failing to withhold taxes or social security contributions, arising from, or independent of, the contract.

(e)(1) An assignee under this section does not have to make restitution of, refund, or repay the amount received because of the liability of the assignor to the Government that arises from or is independent of the contract.

(2) The Government may not collect or reclaim money paid to a person receiving an amount under an assignment or allotment of pay or allowances authorized by law when liability may exist because of the death of the person making the assignment or allotment.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 976.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3727(a).....	31:203(1st par. words before 9th comma).	R.S. § 3477; May 27, 1908, ch. 206(last par. on p. 411), 35 Stat. 411; Oct. 9, 1940, ch. 779, § 1(related to § 3477), 54 Stat. 1029; May 15, 1951, ch. 75, § 1(related to § 1 related to § 3477), 65 Stat. 41.
3727(b).....	31:203(1st par. words after 9th comma, 3d, last pars.).	
3727(c).....	31:203(2d par.).	
3727(d).....	31:203(5th par.).	
3727(e)(1).....	31:203(4th par.).	
3727(e)(2).....	31:239.	Aug. 10, 1956, ch. 1041, § 45, 70A Stat. 638.

In subsection (a)(1), the words "or share thereof" and "whether absolute or conditional, and whatever may be the consideration therefor" are omitted as surplus. In clause (2), the word "authorization" is substituted for "powers of attorney, orders, or other authorities" to eliminate unnecessary words.

In subsections (b) and (c), the word "official" is substituted for "officer" for consistency in the revised title and with other titles of the United States Code.

In subsection (b), the words "Except as hereinafter provided" are omitted as unnecessary. The words "read and" are omitted as surplus. The words "to the person acknowledging the same" are omitted as unnecessary. The text of 31:203(1st par. last sentence) is omitted as superseded by 39:410. The words "Notwithstanding any law to the contrary governing the validity of assignments" and the text of 31:203(last par.) are omitted as unnecessary.

In subsection (c), before clause (1), the words "bank, trust company, or other . . . including any Federal lending agency" are omitted as surplus. The words "of money due or to become due under a contract providing for payments totaling at least \$1,000" are substituted for "in any case in which the moneys due or to become due from the United States or from any agency or department thereof, under a contract providing for payments aggregating \$1,000 or more" to eliminate unnecessary words. The text of 31:203(2d par. proviso cl. 1) is omitted as executed. In clause (1), the words "in the ease of any contract entered into after October 9, 1940" are omitted as executed. In clause (2)(A), the words "payable under such contract" are omitted as surplus. In clause (3), the words "true" and "instrument of" are omitted as surplus. The words "department or" are omitted because of the restatement. The words "if any" and "to make payment" are omitted as surplus.

In subsection (d), before clause (1), the words "During a war or national emergency proclaimed by the President or declared by law and ended by proclamation or law" are substituted for "in time of war or

national emergency proclaimed by the President (including the national emergency proclaimed December 16, 1950) or by Act or joint resolution of the Congress and until such war or national emergency has been terminated in such manner" to eliminate unnecessary words. The words "Department of Energy (when carrying out duties and powers formerly carried out by the Atomic Energy Commission)" are substituted for "Atomic Energy Commission" (which was reconstituted as the Energy Research and Development Administration by 42:5813 and 5814) because of 42:7151(a) and 7293. The words "other department or . . . of the United States . . . except any such contract under which full payment has been made" and "of any moneys due or to become due under such contract" before "shall not be subject" are omitted as surplus. The words "A payment subsequently due under the contract (even after the war or emergency is ended) shall be paid to the assignee without" are substituted for "and if such provision or one to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract, payments to be made thereafter to an assignee of any moneys due or to become due under such contract, whether during or after such war or emergency . . . hereafter" to eliminate unnecessary words. The words "of any nature" are omitted as surplus. In clause (1), the words "or any department or agency thereof" are omitted as unnecessary. In clause (2), the words "under any renegotiation statute or under any statutory renegotiation article in the contract" are omitted as surplus.

Subsection (e)(1) is substituted for 31:203(4th par.) to eliminate unnecessary words.

In subsection (e)(2), the words "person receiving an amount under an assignment or allotment" are substituted for "assignees, transferees, or allottees" for clarity and consistency. The words "or to others for them" and "with respect to such assignments, transfers, or allotments or the use of such moneys" are omitted as surplus. The words "person making the assignment or allotment" are substituted for "assignors, transferors, or allotors" for clarity and consistency.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 22 sections 2392, 4060; title 25 section 1725; title 26 section 6422; title 43 section 1628; title 50 section 1651.

§ 3728. Setoff against judgment

(a) The Comptroller General shall withhold paying that part of a judgment against the United States Government presented to the Comptroller General that is equal to a debt the plaintiff owes the Government.

(b) The Comptroller General shall—

(1) discharge the debt if the plaintiff agrees to the setoff and discharges a part of the judgment equal to the debt; or

(2)(A) withhold payment of an additional amount the Comptroller General decides will cover legal costs of bringing a civil action for the debt if the plaintiff denies the debt or does not agree to the setoff; and

(B) have a civil action brought if one has not already been brought.

(c) If the Government loses a civil action to recover a debt or recovers less than the amount the Comptroller General withholds under this section, the Comptroller General shall pay the plaintiff the balance and interest of 6 percent for the time the money is withheld.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 977.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3728(a)	31:227(1st sentence words before semicolon).	Mar. 3, 1875, ch. 149, 18 Stat. 481; restated Mar. 3, 1933, ch. 212, § 13, 47 Stat. 1516.
3728(b)	31:227(1st sentence words after semicolon, 2d, 3d sentences).	
3728(c)	31:227(last sentence).	

In the section, the words "of the United States" are omitted as unnecessary.

In subsection (a), the words "final . . . recovered . . . duly allowed by legal authority", "for payment", and "in any manner, whether as principal or surety" are omitted as surplus.

In subsection (b)(1), the words "due from the plaintiff to the United States" are omitted as surplus.

In subsection (b)(2)(A), the words "of such judgment", "be sufficient to", and "charges and" are omitted as surplus. The words "of bringing a civil action" are substituted for "in prosecuting the debt" for consistency in the revised title and with other titles of the United States Code. The words "of the United States to final judgment" and "to the United States" are omitted as surplus.

Subsection (b)(2)(B) is substituted for 31:227(3d sentence) for consistency and to eliminate unnecessary words.

In subsection (c), the words "for debt and costs", "thereon", and "from the plaintiff" are omitted as surplus.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 26 section 6422.

§ 3729. False claims

A person not a member of an armed force of the United States is liable to the United States Government for a civil penalty of \$2,000, an amount equal to 2 times the amount of damages the Government sustains, because of the act of that person and costs of the civil action, if the person—

(1) knowingly presents, or causes to be presented, to an officer or employee of the Government or a member of an armed force a false or fraudulent claim for payment or approval;

(2) knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved;

(3) conspires to defraud the Government by getting a false or fraudulent claim allowed or paid;

(4) has possession, custody, or control of public property or money used, or to be used, in an armed force and, intending to defraud the Government or willfully to conceal the property, delivers, or causes to be delivered, less property than the amount for which the person receives a certificate or receipt;

(5) authorized to make or deliver a document certifying receipt of property used, or to be used, in an armed force and, intending to defraud the Government, makes or delivers the receipt without completely knowing that the information on the receipt is true; or

(6) knowingly buys, or receives as a pledge of an obligation or debt, public property from

a member of an armed force who lawfully may not sell or pledge the property.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 978.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3729	31:231.	R.S. § 3490.

In the section, before clause (1), the words "a member of an armed force of the United States" are substituted for "in the military or naval forces of the United States, or in the militia called into or actually employed in the service of the United States" and "military or naval service" for consistency with title 10. The words "is liable" are substituted for "shall forfeit and pay" for consistency. The words "civil action" are substituted for "suit" for consistency in the revised title and with other titles of the United States Code. The words "and such forfeiture and damages shall be sued for in the same suit" are omitted as unnecessary because of rules 8 and 10 of the Federal Rules of Civil Procedure (28 App. U.S.C.). In clauses (1)-(3), the words "false or fraudulent" are substituted for "false, fictitious, or fraudulent" and "Fraudulent or fictitious" to eliminate unnecessary words and for consistency. In clause (1), the words "presents, or causes to be presented" are substituted for "shall make or cause to be made, or present or cause to be presented" for clarity and consistency and to eliminate unnecessary words. The words "officer or employee of the Government or a member of an armed force" are substituted for "officer in the civil, military, or naval service of the United States" for consistency in the revised title and with other titles of the Code. The words "upon or against the Government of the United States, or any department of the United States, or any department or officer thereof" are omitted as surplus. In clause (2), the word "knowingly" is substituted for "knowing the same to contain any fraudulent or fictitious statement or entry" to eliminate unnecessary words. The words "record or statement" are substituted for "bill, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition" for consistency in the revised title and with other titles of the Code. In clause (3), the words "conspires to" are substituted for "enters into any agreement, combination, or conspiracy" to eliminate unnecessary words. The words "of the United States, or any department or officer thereof" are omitted as surplus. In clause (4), the words "charge", "or other", and "to any other person having authority to receive the same" are omitted as surplus. In clause (5), the words "document certifying receipt" are substituted for "certificate, voucher, receipt, or other paper certifying the receipt" to eliminate unnecessary words. The words "arms, ammunition, provisions, clothing, or other", "to any other person", and "the truth of" are omitted as surplus. In clause (6), the words "arms, equipments, ammunition, clothes, military stores, or other" are omitted as surplus. The words "member of an armed force" are substituted for "soldier, officer, sailor, or other person called into or employed in the military or naval service" for consistency with title 10. The words "such soldier, sailor, officer, or other person" are omitted as surplus.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3730 of this title.

§ 3730. Civil actions for false claims

(a) The Attorney General diligently shall investigate a violation under section 3729 of this title. If the Attorney General finds that a

person has violated or is violating section 3729, the Attorney General may bring a civil action under this section against the person. The person may be arrested and bail set for an amount of not more than \$2,000 and 2 times the amount of damages sworn to in an affidavit of the Attorney General.

(b)(1) A person may bring a civil action for a violation of section 3729 of this title for the person and for the United States Government. The action shall be brought in the name of the Government. The district courts of the United States have jurisdiction of the action. Trial is in the judicial district within whose jurisdictional limits the person charged with a violation is found or the violation occurs. An action may be dismissed only if the court and the Attorney General give written consent and their reasons for consenting.

(2) A copy of the complaint and written disclosure of substantially all material evidence and information the person possesses shall be served on the Government under rule 4 of the Federal Rules of Civil Procedure (28 App. U.S.C.). The Government may proceed with the action by entering an appearance by the 60th day after being notified. The person bringing the action may proceed with the action if the Government—

(A) by the end of the 60-day period does not enter, or gives written notice to the court of intent not to enter, the action; or

(B) does not proceed with the action with reasonable diligence within 6 months after entering an appearance, or within additional time the court allows after notice.

(3) If the Government proceeds with the action, the action is conducted only by the Government. The Government is not bound by an act of the person bringing the action.

(4) Unless the Government proceeds with the action, the court shall dismiss an action brought by the person on discovering the action is based on evidence or information the Government had when the action was brought.

(c)(1) If the Government proceeds with an action, the person bringing the action may receive an amount the court decides is reasonable for disclosing evidence or information the Government did not have when the action was brought. The amount may not be more than 10 percent of the proceeds of the action or settlement of a claim and shall be paid out of those proceeds.

(2) If the Government does not proceed with an action, the person bringing the action or settling the claim may receive an amount the court decides is reasonable for collecting the civil penalty and damages. The amount may not be more than 25 percent of the proceeds of the action or settlement and shall be paid out of those proceeds. The person may also receive an amount for reasonable expenses the court finds to have been necessarily incurred and costs awarded against the defendant.

(d) The Government is not liable for expenses a person incurs in bringing an action under this section.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 978.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3730(a)	31:233.	R.S. § 3492.
3730(b)(1).	31:232(A), (B)(less words between 3d and 4th commas).	R.S. § 3491(A)-(E); restated Dec. 23, 1943, ch. 377, § 1, 57 Stat. 608; June 11, 1960, Pub. L. 86-507, § 1(28), (29), 74 Stat. 202.
3730(b)(2).	31:232(C)(1st-3d sentences, 5th sentence proviso).	
3730(b)(3).	31:232(C)(4th sentence, 5th sentence less proviso).	
3730(b)(4).	31:232(C)(last sentence), (D).	
3730(c)(1)...	31:232(E)(1).	
3730(c)(2)...	31:232(E)(2)(less proviso).	
3730(d)	31:232(B)(words between 3d and 4th commas), (E)(2)(proviso).	

In the section, the words "civil action" are substituted for "suit" for consistency in the revised title and with other titles of the United States Code.

In subsection (a), the words "Attorney General" are substituted for "several district attorneys of the United States [subsequently changed to 'United States attorneys' because of section 1 of the Act of June 25, 1948 (ch. 646, 62 Stat. 909)] for the respective districts, for the District of Columbia, and for the several Territories" because of 28:509. The words "by persons liable to such suit" are omitted as surplus. The words "and found within their respective districts or Territories" are omitted because of the restatement. The words "If the Attorney General finds that a person has violated or is violating section 3729, the Attorney General may bring a civil action under this section against the person" are substituted for "and to cause them to be proceeded against in due form of law for the recovery of such forfeiture and damages" for clarity and consistency. The words "as the district judge may order" are omitted as surplus. The words "of the Attorney General" are substituted for "the person bringing the suit" for consistency in the section.

In subsection (b)(1), the words "Except as herein-after provided" are omitted as unnecessary. The words "for a violation of section 3729 of this title" are added because of the restatement. The words "and carried on", "several" and "full power and" are omitted as surplus. The words "of the action" are substituted for "to hear, try, and determine such suit" to eliminate unnecessary words. The words "Trial is in the judicial district within whose jurisdictional limits the person charged with a violation is found or the violation occurs" are substituted for "within whose jurisdictional limits the person doing or committing such act shall be found, shall wheresoever such act may have been done or committed" for consistency in the revised title and with other titles of the Code. The words "withdrawn or" and "judge of the" are omitted as surplus. The words "Attorney General" are substituted for "district attorney [subsequently changed to 'United States attorneys' because of section 1 of the Act of June 25, 1948 (ch. 646, 62 Stat. 909)], first filed in the case" because of 28:509.

In subsection (b)(2), before clause (A), the words "bill of", "Whenever any such suit shall be brought by any person under clause (B) of this section" and "to the effective prosecution of such suit or" are omitted as surplus. The words "served on the Government under rule 4 of the Federal Rules of Civil Procedure (28 App. U.S.C.)" are substituted for "notice . . . shall be given to the United States by serving upon the United States Attorney for the district in which such suit shall have been brought . . . and by sending, by registered mail, or by certified mail, to the Attorney General of the United States at Washington, District

of Columbia" because of 28:509 and to eliminate unnecessary words. The words "proceed with the action" are added for clarity. Clause (A) is substituted for "shall fail, or decline in writing to the court, during said period of sixty days to enter any such suit" for clarity and consistency. In clause (B), the words "a period of" and "therein" are omitted as surplus.

In subsection (b)(3), the words "within said period" are omitted as surplus. The words "proceeds with the action" are substituted for "shall enter appearance in such suit" for consistency. The words "In carrying on such suit" and "and may proceed in all respects as if it were instituting the suit" are omitted as surplus.

In subsection (b)(4), the words "Unless the Government proceeds with the action" are added because of the restatement. The words "shall dismiss an action brought by the person on discovering" are substituted for "shall have no jurisdiction to proceed with any such suit . . . or pending suit . . . whenever it shall be made to appear that" to eliminate unnecessary words. The words "or any agency, officer, or employee thereof" are omitted as unnecessary. The text of 31:232(C)(last sentence proviso) and (D) is omitted as executed.

In subsection (c), the words "herein provided", "fair and . . . compensation to such person", and "involved therein, which shall be collected" are omitted as surplus.

In subsection (c)(2), the words "whether heretofore or hereafter brought" are omitted as unnecessary. The words "bringing the action or settling the claim" are substituted for "who brought such suit and prosecuted it to final judgment, or to settlement" for clarity and consistency. The words "as provided in clause (B) of this section" are omitted as unnecessary. The words "the civil penalty" are substituted for "forfeiture" for clarity and consistency. The words "to his own use", "the court may", and "to be allowed and taxed according to any provision of law or rule of court in force, or that shall be in force in suits between private parties in said court" are omitted as surplus.

Subsection (d) is substituted for 31:232(B)(words between 3d and 4th commas) and (E)(2)(proviso) to eliminate unnecessary words.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3731 of this title.

8 3731. False claims procedure

(a) A subpoena requiring the attendance of a witness at a trial or hearing conducted under section 3730 of this title may be served at any place in the United States.

(b) A civil action under section 3730 of this title must be brought within 6 years from the date the violation is committed.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 979.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3731(a)	31:232(F).	R.S. § 3491(F); added Nov. 2, 1978, Pub. L. 95-582, § 1, 92 Stat. 2479.
3731(b)	31:235.	R.S. § 3494.

In subsection (b), the words "A civil action under section 3730 of this title" are substituted for "Every such suit" for clarity.

CHAPTER 39—PROMPT PAYMENT

Sec.	
3901.	Definitions and application.
3902.	Interest penalties.

Sec.	
3903.	Regulations.
3904.	Limitations on discount payments.
3905.	Reports.
3906.	Relationship to other laws.

8 3901. Definitions and application

(a) In this chapter—

(1) "agency" has the same meaning given that term in section 551(1) of title 5 and includes an entity being operated, and the head of the agency identifies the entity as being operated, only as an instrumentality of the agency to carry out a program of the agency.

(2) "business concern" means—

(A) a person carrying on a trade or business; and

(B) a nonprofit entity operating as a contractor.

(3) "proper invoice" is an invoice containing or accompanied by substantiating documentation the Director of the Office of Management and Budget may require by regulation and the head of the appropriate agency may require by regulation or contract.

(4) the head of an agency is deemed to receive an invoice on the later of the dates that—

(A) the designated payment office or finance center of the agency actually receives a proper invoice; or

(B) the head of the agency accepts the applicable property or service.

(5) a payment is deemed to be made on the date a check for the payment is dated.

(6) a contract to rent property is deemed to be a contract to acquire the property.

(b) This chapter applies to the Tennessee Valley Authority. However, regulations prescribed under this chapter do not apply to the Authority, and the Authority alone is responsible for carrying out this chapter as it applies to contracts of the Authority.

(Added Pub. L. 97-452, § 1(18)(A), Jan. 12, 1983, 96 Stat. 2474.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3901(a)	31 App.:1805.	May 21, 1982, Pub. L. 97-177, §§ 6, 7(c), 96 Stat. 87, 88.
3901(b)	31 App.:1806.	

In the chapter, the words "the head of" are added for clarity and consistency in the revised title and with other titles of the United States Code.

In subsection (a)(1), the word "Federal" is omitted as unnecessary and for consistency in the revised title and with other titles of the Code. The words "for this purpose" are omitted because of the restatement. The words "the purpose of" and "or more" are omitted as surplus.

In subsection (a)(5), the words "deemed to be" are substituted for "considered" for consistency in the revised title and with other titles of the Code.

In subsection (a)(6), the words "real or personal" are omitted as surplus. The words "deemed to be" are added for consistency in the revised title and with other titles of the Code.